

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 59th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By **CHAIRMAN KARL WAITSCHIES**, on March 31, 2005 at 8:00 A.M., in Room 152 Capitol.

ROLL CALL

Members Present:

Rep. Karl Waitschies, Chairman (R)
Rep. Gary Branae, Vice Chairman (D)
Rep. Bob Lake, Vice Chairman (R)
Rep. John Balyeat (R)
Rep. Norma Bixby (D)
Rep. Edward B. Butcher (R)
Rep. Margaret H. Campbell (D)
Rep. Jill Cohenour (D)
Rep. Tom Facey (D)
Rep. Wanda Grinde (D)
Rep. Carol Lambert (R)
Rep. Dave McAlpin (D)
Rep. Jim Peterson (R)
Rep. John (Jack) W. Ross (R)
Rep. Bill Warden (R)
Rep. Brady Wiseman (D)

Members Excused: None.

Members Absent: Rep. George G. Groesbeck (D)
Rep. Dennis Himmelberger (R)
Rep. Holly Raser (D)
Rep. Scott Sales (R)

Staff Present: Jeff Martin, Legislative Branch
Debra Polhemus, Committee Secretary

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary:

Hearing & Date Posted: HB 529, 3/23/2005; HB 798,
3/23/2005; HB 799, 3/23/2005; HB
802, 3/23/2005; HB 797, 3/24/2005

Executive Action:

HEARING ON HB 802

Opening Statement by Sponsor:

00:01:03 REP. ALAN OLSON (R), HD 45, opened the hearing on
HB 802, Eliminate annual permit surcharge fee for
video gambling machines.

Proponents' Testimony:

00:02:25 Rhonda Carpenter Wiggers, representing Montana
Coin Machine Operators
00:04:04 Rich Miller, Executive Director, Gaming Industries
Association of Montana

Opponents' Testimony: None.

Informational Testimony:

00:05:27 Gene Huntington, Gambling Control Division,
Montana Department of Justice

Questions from Committee Members and Responses:

00:05:55 REP. McALPIN
00:06:44 REP. WISEMAN
00:07:42 CHAIRMAN WAITSCHIES

Closing by Sponsor:

00:09:25 REP. ALAN OLSON (R), HD 45 closed the hearing on
HB 802.

HEARING ON HB 797

Opening Statement by Sponsor:

00:12:07 REP. CHRISTINE KAUFMANN (D), HD 81, opened the
hearing on HB 797, Increase video gambling taxes.

[EXHIBIT](#)(tah68a01)

Proponents' Testimony:

00:19:14 Gene Fenderson, Montana Progressive Labor Caucus
00:24:52 Lynda Gryczan, Montana League of Women Voters
00:25:57 Ben Forsyth, Great Falls resident
00:29:10 Judy Smith, Fair Share Network

EXHIBIT (tah68a02)

00:32:13 Gloria Smith, Great Falls resident
00:35:32 Kim Abbott, WEEL, Income Advocacy Group, Helena
00:36:09 Randy Gray, Great Falls Mayor, here in personal
capacity not as representative for Great Falls
00:41:32 Kendra Owen, Great Falls business owner

Opponents' Testimony:

00:48:16 Mark Staples, Attorney, representing Montana
Tavern Association
00:55:21 Rich Miller, Executive Director, Gaming Industry
Association of Montana
01:04:44 Rhonda Carpenter Wiggers, representing Montana
Coin Operators
01:08:54 John Hayes, Insurance Agent, Great Falls, and
Director, Cascade County Tavern Association
01:11:39 Ralph Farrero, Rocking R Bar, Bozeman, and
President, Montana Tavern Association
01:12:14 Riley Johnson, representing National Federation of
Independent Businesses

Informational Testimony:

01:12:53 Gene Huntington, Gambling Control Division,
Montana Department of Justice

Questions from Committee Members and Responses:

01:13:17 **REP. LAMBERT**
01:16:32 **REP. McALPIN**
01:18:05 **REP. WISEMAN**
01:19:47 **REP. WARDEN**
01:23:36 **REP. COHENOUR**
01:26:50 **REP. LAKE**
01:32:10 **REP. WISEMAN**
01:42:06 **CHAIRMAN WAITSCHIES**

Closing by Sponsor:

01:47:47 **REP. CHRISTINE KAUFMANN (D), HD 81** closed the
hearing on **HB 797**.

01:51:55 Break

02:04:30 Resume

HEARING ON HB 529

Opening Statement by Sponsor:

02:04:55 **REP. CHRISTINE KAUFMANN (D), HD 81**, opened the hearing on **HB 529**, Create at-risk family stabilization program; eetc; child support pass through.

Proponents' Testimony:

02:13:31 Judy Smith, Women's Opportunity Resource Development (WORD) and HomeWord, Missoula

EXHIBIT (tah68a03)

EXHIBIT (tah68a04)

02:19:55 Eric Schiedermayer, Executive Director, Montana Catholic Conference

02:20:29 Kim Abbott, WHEEL, Helena

02:21:11 Terry Kendrick, Women's Opportunity Resource Development, Missoula (WORD)

Opponents' Testimony: None.

Informational Testimony:

02:22:15 Jim McKeon, Montana Department of Revenue

02:22:25 Hank Hudson, Montana Department of Health and Human Services

Questions from Committee Members and Responses:

02:22:42 **REP. WISEMAN**

02:26:48 **REP. WARDEN**

02:31:04 **REP. COHENOUR**

02:32:23 **REP. CAMPBELL**

Closing by Sponsor:

02:35:05 **REP. CHRISTINE KAUFMANN (D), HD 81** closed the hearing on **HB 529**.

HEARING ON HB 798

Opening Statement by Sponsor:

02:37:28 **REP. CHRISTINE KAUFMANN (D), HD 81**, opened the hearing on **HB 798**, Increase tax rates on certain income and provide disposition of revenue.

Proponents' Testimony:

02:43:53 Judy Smith, Women's Opportunity Resource
Development (WORD) and HomeWord, Missoula

EXHIBIT (tah68a05)

02:46:19 Eric Schiedermayer, Montana Catholic Conference
02:47:42 Kim Abbott, WHEEL, Helena

Opponents' Testimony:

02:48:10 Webb Brown, Montana Chamber of Commerce also
speaking for Montana Taxpayers Association

Informational Testimony:

02:50:03 Jim McKeon, Montana Department of Revenue

Questions from Committee Members and Responses:

02:50:19 REP. RASER
02:52:08 REP. BUTCHER
02:55:30 REP. COHENOUR

Closing by Sponsor:

02:59:41 REP. CHRISTINE KAUFMANN (D), HD 81 closed the
hearing on HB 798.

HEARING ON HB 799

Opening Statement by Sponsor:

03:02:23 REP. BRADY WISEMAN (D), HD 65, opened the hearing
on HB 799, Revise taxes by providing backup
withholding for exchange of real property.

Proponents' Testimony:

03:12:57 Brenda Gilmore, Attorney, Montana Department of
Revenue
03:17:27 Dan Bucks, Director, Montana Department of Revenue

Opponents' Testimony:

03:30:29 Max A. Hansen, Attorney, American Equity Exchange, Dillon, also speaking for the Montana Association of Realtors and Federation of Exchange

EXHIBIT (tah68a06)

03:41:26 Joe Schevlin, CPA, Helena, representing the Society of CPA's

03:43:26 Bill Simkins, Simkins Holdings LLC, and Simkins Lumber Company (former Tax Attorney)

03:45:58 Robert Sewell, President, Montana Land Title Association, Missoula

03:48:56 John Youngberg, Montana Farm Bureau Association also speaking for the Montana Stock Growers Association

03:49:32 Michael Harris, Open Lands Coordinator, Gallatin County

03:50:20 Carl Schweitzer, speaking for Bozeman, Kalispell, Helena and Great Falls Chamber of Commerce

03:50:38 Webb Brown, Montana Chamber of Commerce and also speaking for Montana Taxpayers Association

Informational Testimony: None.

Questions from Committee Members and Responses:

03:51:05 **REP. PETERSON**

03:52:13 **REP. LAKE**

03:53:56 **REP. LAMBERT**

03:54:27 **REP. RASER**

03:58:31 **REP. COHENOUR**

03:59:51 **CHAIRMAN WAITSCHIES**

Closing by Sponsor:

04:01:56 **REP. BRADY WISEMAN (D), HD 65,** closed the hearing on **HB 799.**

ADJOURNMENT

Adjournment: 12:10 P.M.

REP. KARL WAITSCHIES, Chairman

DEBRA POLHEMUS, Secretary

KW/dp

Additional Exhibits:

EXHIBIT ([tah68aad0.TIF](#))